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DEPT FOR A/S HILL AND EAP/MTS  
TREASURY FOR IA-BAUKOL  
SINGAPORE FOR BAKER  
DEPT PASS USTR FOR DBHATIA AND DKATZ  
COMMERCE FOR 4430/GOLIKE  
ENERGY FOR A/S HARBERT, CUTLER AND GILLESPIE

E.O. 12598: N/A

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SUBJECT: U/S Jeffery - Corporate Social Responsibility Discussions  
with GE and Citi

11. (SBU) Summary. Two prominent U.S.-headquartered companies briefed Under Secretary Jeffery on their integration of corporate social responsibility (CSR) into their overall business plans for Indonesia. GE and Citi both said CSR activities in Indonesia are tightly integrated with their corporate values and further their bottom line. Ambassador Hume also used the occasion to recognize both companies for their selection as finalists in the Secretary of State's Award for Corporate Excellence. End Summary.

GE Indonesia  
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12. (SBU) GE Southeast Asia President Stuart Dean told Under Secretary Jeffery on September 10 that General Electric views CSR as

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the right thing to do morally, but that it is also an important way for U.S. companies to level the playing field in countries with high levels of corruption. Dean said they can cement partnerships without bribes by showing concrete benefits to their host nation. Dean said that GE volunteers have donated over one million hours of service in Indonesia. They committed over 5,000 hours of volunteer effort to re-building homes in partnership with Habitat for Humanity as part of tsunami relief efforts in Aceh. The company and employees worldwide together donated more than \$20 million for tsunami relief with half of those donations going to Indonesia. GE

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also gave the Government of Indonesia (GOI) portable water treatment systems in Aceh, as well as medical diagnostic equipment.

13. (SBU) Dean spotlighted a unique CSR activity that GE undertakes all over the world to provide in-kind contributions of equipment and expertise for night lighting projects for world landmarks. In Indonesia, the GE team created a visually stunning light design for the ancient temple complex at Borobudur in Yogyakarta. Dean expressed pride in GE's long-time support for Special Olympics in Indonesia. He singled out for special mention, however, the entrepreneurship program that their Indonesian employees created to help disadvantaged youths, including high school drop outs. More than 2,000 young people have received the benefit of training and a revolving fund to help start businesses. Looking to the future, Dean said GE will be focusing its community engagement on financial

literacy for underprivileged women, HIV-AIDS awareness, combating bullying in schools, and raising environmental awareness among young people.

Citi Indonesia

14. (SBU) On September 11, Citi Indonesia Senior Vice President Ditta Amahorseya provided U/S Jeffery with a detailed overview of Citi's CSR program in Indonesia. She said Citi's CSR strategy makes an impact in four ways by: maintaining their profitability in country, providing a stable employment source for Indonesians, engaging in philanthropy, and assisting Indonesia in promoting sustainable financial development. Citi CSR programs range from simple activities like allowing their employees to take one day off every year to engage in philanthropic work to more elaborate programs such as providing financial education and extending grants to socially responsible and innovative micro-entrepreneurs and small- and medium-sized enterprises.

15. (SBU) Citi Indonesia's education programs include \$500 grants for teachers with creative teaching programs, a semester-long university course in banking at University of Indonesia, and the distribution of financial education materials to fifth and sixth graders to expose them to money management concepts. Citi Indonesia also works with the Central Bank of Indonesia to provide financial skills to potential borrowers in poor communities. In an effort to build a culture of strong nongovernmental organizations (NGOs) in Indonesia, Citi provides management training to local NGOs to enhance their budget and project planning capacity. Citi Indonesia also provides assistance for natural disasters. Citi programs in Banda Aceh included the building of 300 new homes and several school facilities. In addition, Citi followed the rebuilding program with microfinance activities in the same villages to allow tsunami survivors to start new businesses. Citi has contributed almost \$3 million their CSR programs and they plan to continue expanding these initiatives, according to Ditta.

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16. (U) Ambassador Hume also used the occasion of U/S Jeffery's visit to recognize both companies for their selection as finalists in the Secretary of State's Award for Corporate Excellence. Ambassador

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Hume thanked both companies for their good work in Indonesia and presented a commemorative plaque, honoring their status as finalists. In his remarks at GE, the ambassador noted GE's planned engagement on HIV/AIDS. He said he was disturbed to hear that the infection rate projections for Papua are converging with those of Africa and urged GE to consider focusing its efforts there.

17. (U) U/S Jeffery cleared this cable.

HUME